



## **Office of Defense Trade Controls**

### **OVERVIEW OF U.S. EXPORT LICENSING REQUIREMENTS FOR CANADA**

The following was presented in Ottawa, Canada  
June 9, 1999



## **Office of Defense Trade Controls**

### **Change to ITAR Published April 12, 1998**

- Revised Canadian Exemption**
- Permitted ongoing technical assistance and manufacturing activities to continue - Required U.S. company to submit request for DTC authorization prior to May 12, 1999**
- Clarified Language to Ensure ITAR compliance**



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### ITAR Requirements Prior to Rewrite - Clarified

- ❶ Written Approval Prior for any sale requiring Congressional Notification
- ❷ Written Authorization Prior to any Retransfer of USML articles from Canada to Another Foreign Destination, End Use, End User
- ❸ Written Authorization from USG Prior to any Transfer to Canada of Defense Services (Manufacturing, Technical Assistance)



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### Requirements Prior to Rewrite - Clarified

- ❹ Retransfer Assurances for Any Export of Significant Military Equipment
- ❺ Congressional requirement for Registration as exporter when using the Exemption
- ❻ Requirement to maintain records
- ❼ Requirement to license Prior to export all USG classified USML items, unless exported via the FMS program



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### ITAR LICENSING REQUIREMENTS ADDED April 12, 1999

#### - Enhanced the Technologies Requiring a License

- ✓ Firearms and Ammunition
- ✓ MTCR
- ✓ Satellite Technologies
- ✓ Toxicological Agents and Equipment
- ✓ Stealth Technologies



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### ITAR EXEMPTIONS (FOR CANADA) AVAILABLE TO US EXPORTERS

1. Domestic aircraft shipments between one U.S. location and another U.S. location which transit Canada
2. U.S. origin defense articles temporarily imported into the U.S. from Canada for overhaul, repair, reconditioning, including one-to-one replacement of defective parts
3. Government-to-Government Shipments (generally identified by a Government Bill of Lading)
4. Exports made under the Foreign Military Sales Program (identified by an existing Government-to-Government LOA)



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### ITAR EXEMPTIONS (FOR CANADA) AVAILABLE TO US EXPORTERS

5. Temporary exports by U.S. Registered Companies of certain USML articles to their U.S. facilities in in Canada
6. Minor parts and components for firearms when valued at \$100 or less in any single transaction
7. Technical data exemptions enumerated in 125.4 of the ITAR
8. No requirement for prior approval to export certain USML commodities (126.5)



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### Impact

- ☒ Provides USG greater assurance that US exporters will be compliant with existing requirements
- ☒ Continues USG unique relationship with Canada
- ☒ Responds to Congressional Requirements
- ☒ Implements compliance with MTCR
- ☒ Assists our enforcement community - paper trails of transactions are established and maintained
- ☒ Provides U.S. industry greater ability to be compliant with the ITAR



## Office of Defense Trade Controls

### On-Going Activities

- **Work with Canadian Government**
  - **Seek Better Understanding of Canadian Export Controls**  
providing assistance, as requested, in addressing changes to Canadian regulations
- **USG Review**
  - **Both State and Defense involved**
  - **Addressing need for any additional changes to regulations.**
- **Engage in Outreach**